

This, I believe, is the first occasion since the arrangement of 1856, in which the privilege of this Province practically to administer its Waste Lands has been interfered with or called into question, and it is my duty, on behalf of the Province, emphatically to protest against such interference. The effect of the stoppage of this sale has been to deprive the Provincial revenue of a large sum of money which would have been expended on public improvements within the Lake Districts. It has also led to numerous claims (some of which have been already demanded) for travelling expenses incurred by intending purchasers upon the strength of the proclamation. Messrs. Driver, McLean, and Co. will, I presume, render an account of these claims as well as their own expenses to the General Government.

The Hon. the Colonial Secretary,
Wellington.

I have, &c.,
JAMES MACANDREW,
Superintendent.

Enclosure in No. 3.

MINUTE by the PROVINCIAL TREASURER for His Honor the SUPERINTENDENT.

THE Provincial Treasurer desires to express his regret at the course adopted by the General Government in arresting the sale of the Wakatipu Runs, and especially at their having thought it necessary to communicate with the auctioneers direct.

The reasons stated by the Colonial Secretary are evidently based upon the assumption that the sale is undesirable from a public point of view. He has clearly been misinformed as to the circumstances, or he would at any rate recognize that it is desirable the sale should take place. As the objections are all more or less based upon the conviction, as stated, of its being undesirable to allow the sale to proceed, the Treasurer considers that if he states the facts which have led to the sale, the Colonial Secretary will agree that the sale is desirable, and will aid in removing the difficulties to which he refers in his letter of the 23rd March, and which, it seems to the Treasurer, could all be legally surmounted by a properly framed proclamation.

It came under the notice of the Provincial Government some two or three months back that the depasturing fees received from the Wakatipu District were very low in proportion to the extent of country over which it was permitted to issue Gold Fields Depasturing Licenses. On inquiry, it appeared that a wholesale evasion of the payments due in respect to the sheep depastured in the country in question was going on, and there seemed no way of properly protecting the revenue. Further inquiry showed that there were some 350,000 acres of country suitable for pasture purposes. The Government came to the conclusion that such an immense commonage was not necessary for the wants of the comparatively small mining population in the district. There were several grave objections to it; amongst others,—the loss to the revenue,—the impossibility, under any commonage system, of getting the country properly stocked,—and the great facilities for cattle stealing offered by making a common of such a large tract of country.

It was obvious also that, for the miners generally, the system which best stocked the country would supply them cheapest with animal food.

It was therefore decided to lease about 100,000 acres available for depasturing occupation by the miners, and to sell leases of the rest in runs which had already some time back been marked out. The Government preferred to sell under the Gold Fields Act because provisions more suitable for the miners and more favourable to the revenue could be found under it than under the Land Act. The Treasurer alludes particularly to clauses four, five, six, and seven of the conditions proclaimed.

The Treasurer should mention that applications to restrain the sale were sent to the Provincial Government, but they were apparently made in the interests of those who had already put the revenue to loss by depasturing cattle without paying the fees, and further, the reasons alleged were not deemed valid.

The Government anticipated from the sale a sum of over £10,000; besides that, the assessment would have yielded a large annual rental. As there are heavy works in roads and bridges required by the district, the Province will not be able to dispense with such sums and will have to sell the leases under the Land Act, to do which, there is a clear power, unless the Colonial Secretary will lend his aid to enable the sale to be made under the Gold Fields Act with the introduction of the conditions already contemplated. To sell without these conditions would entail a sacrifice on the mining community, which it is desirable to avoid, and a large loss to the Province.

The Treasurer respectfully urges the Superintendent to bring this Memorandum under the notice of the Colonial Secretary, with a request that he will be so good as to aid the sale by paving the way to a proper proclamation.

Provincial Treasury, Dunedin, 4th April, 1867.

JULIUS VOGEL,
Provincial Treasurer.

No. 4.

Copy of a Letter from the Hon. E. W. STAFFORD to the SUPERINTENDENT, Otago.
(No. 789.)

SIR,—

Colonial Secretary's Office, Wellington, 16th April, 1867.

I have to acknowledge the receipt of your Honor's letter No. 370-140, of the 4th instant, enclosing a Memorandum from the Provincial Treasurer, referring to my letter No. 158, of the 23rd ultimo, in which I stated that the Regulations made by your predecessor (a day or two before his term of office expired) for the sale by auction of Depasturing Licenses over Waste Lands within a proclaimed Gold Field, in the Wakatipu District, were illegal, and that consequently it was the duty of the Government to stop the proposed sale.

Your Honor, and the Provincial Treasurer of Otago, appear to have overlooked the circumstance that, on the 27th of February last, the delegation under the Gold Fields Act to the Superintendent of